



ARIZONA DEPARTMENT OF ECONOMIC SECURITY

1789 W. Jefferson • P.O. Box 6123 • Phoenix, AZ 85005

Janet Napolitano
Governor

David A. Berns
Director

December 31, 2003

WIA GUIDANCE LETTER #09-03

SUBJECT: Announcement of PY 2002 Method II Incentive Awards

REFERENCE: P.L. 105-220, §134(a)(2)(B)(iii) of the Workforce Investment Act (WIA); Subpart B, §665.200(e)(1)(2)(3) of WIA Final Rules dated August 11, 2000; WIA Guidance Letter #08-03 dated September 25, 2003.

BACKGROUND: This memo serves as formal notification to the state's Local Workforce Investment Areas (LWIAs) of the Method II incentive awards for WIA PY 2002. Each Method II award is based upon the degree to which each applicant LWIA developed an initiative that promotes local and regional collaboration, as well as innovation, competent leadership, and continuous improvement.

The state Employment Administration/WIA received a total of eleven Method II applications from nine LWIAs by the November 14, 2003 deadline. For those local areas submitting more than one application, funding awards were based upon the *eligible* application (eligible = a minimum of 71 points awarded) that received the highest score. The application form and scoring methodology were included with WIA Guidance Letter #08-03 dated September 25, 2003.

For WIA PY 2002, the Governor's Council on Workforce Policy (GCWP) set aside a total of \$689,000 of the state's discretionary funds for incentives for the state's LWIAs. **Seventy percent (\$482,300) of these incentive funds was earmarked for Method II awards**, while the remaining thirty percent (\$206,700) was earmarked for Method I performance awards. Generally, an LWIA's potential Method II award coincides with the percentage of state formula funds the LWIA received in PY 2002. However, for local areas that received less than 3% of the PY 2002 formula allocation, award funds were adjusted slightly so that these local areas would be eligible for a minimum of 3% of the Method II funds.

The Method II awards for PY 2002 are as follows:

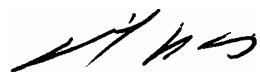
Apache County	\$12,300
City of Phoenix	\$67,623
Coconino County	\$9,882
Cochise County	\$10,536
Mohave/LaPaz Counties	\$11,092
Navajo County	\$12,776
Pima County	\$45,976
Santa Cruz County	\$10,736
Yuma County	\$57,269

Note: Upon request from an applicant LWIA, the Employment Administration/WIA will provide scoring information and comments associated with your application.

Since both Method I and Method II awards call for LWIAs to amend their contracts, distribution of the above awards will take place once Method I awards have been announced. This announcement should occur some time in February 2004 when UI data will be available to make the final determinations on all local PY 2002 performance levels achieved. The Employment Administration/WIA Fiscal Unit will send out additional instructions for amending local contracts to reflect all incentive awards.

Please feel free to contact Ms. Pat Gregan, Manager of Planning and Program Development, at (602) 542-2490 if you need additional information.

Sincerely,



David R. Ellis
Program Administrator (Interim)
Employment Administration – WIA

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